

November 5, 2001

Mr. Tom Peltier
Division of Water Rights
State Water Resources Control Board
P.O. Box 2000
Sacramento, CA 95812-2000

Dear Mr. Peltier:

Written Comments Regarding the Status of California's Colorado River Water Use Plan

The Metropolitan Water District of Southern California (Metropolitan) is pleased to submit the enclosed information regarding California's Colorado River Water Use Plan (California Plan). This includes the various water conservation measures and management techniques that are an integral part of that plan, and an overview of Metropolitan's efforts to increase its water supply reliability, diversify its sources of supply, reduce the region's reliance on imported water, and improve the effective use of local water supplies. It is my pleasure to present an oral summary of these comments at the State Water Resources Control Board's (State Board) public workshop on November 14, 2001 in Ontario, California.

California needs to be able to live within its basic apportionment of 4.4 million acre-feet per year of Colorado River water, a reduction of approximately 800,000 acre-feet per year from the present level of use. Metropolitan is committed to ensuring the timely implementation of the various elements of the California Plan. I look forward to briefing the State Board on the status of programs that have been implemented or are actively being proposed for implementation, programs which are designed to provide supplies for the Colorado River Aqueduct while at the same time reducing California's reliance as a whole on Colorado River water.

Please contact Dennis B. Underwood, Vice President, Colorado River Resources at (213) 217-6588, if we can answer any questions or provide additional information.

Very truly yours,

Ronald R. Gastelum
Chief Executive Officer

Enclosure

Comments of

**Ronald R. Gastelum, Chief Executive Officer
The Metropolitan Water District of Southern California**

Regarding

California's Colorado River Water Use Plan

Before

California State Water Resources Control Board

Public Workshop

November 14, 2001

Ontario, California

The Metropolitan Water District of Southern California (Metropolitan) is a public agency established under a legislative act in 1928 to secure supplemental water supplies for its member agencies. Metropolitan's 5,200-square mile service area stretches some 200 miles along the coastal plain of southern California and encompasses parts of Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Ventura Counties. More than 17 million people reside within Metropolitan's service area.

Today, Metropolitan provides over 50 percent of the water used within its service area. Metropolitan receives water from two principal sources, the Colorado River, via the Colorado River Aqueduct (Figures 1, 2 and 3), and the State Water Project (northern California water), via the California Aqueduct (Figures 2 and 3). To further help meet the water needs of member agencies, Metropolitan assists in the development and effective use of local resources. Beginning in the late 1950s, cooperative groundwater recharge programs were implemented and evolved over time into member agency partnerships for water conservation, water recycling, groundwater recovery, and water storage and conjunctive use programs.

This document provides an overview of Metropolitan-specific efforts to increase its water supply reliability, diversify its sources of supply, reduce the region's reliance on imported water, and improve the effective use of local water supplies.

The 444-mile State Water Project (SWP) is owned by the State of California and operated by the California Department of Water Resources. The SWP transports water released from Oroville Dam, and flows that have traveled into the San Francisco Bay/Sacramento-San Joaquin Delta Estuary (Bay/Delta), south via the California Aqueduct to four delivery points near the northern and eastern boundaries of Metropolitan. Metropolitan is one of 29 agencies that have contracts for water service with the California Department of Water Resources.

Metropolitan's SWP contract is for a total of 2,011,500 acre-feet per year. The contracted amount was increased in 1964 from 1,500,000 acre-feet per year principally to offset the impending loss of a portion of Metropolitan's Colorado River supply resulting from the 1963 United States Supreme Court decision in *Arizona v. California*. Improvement of the supply reliability of the SWP and the development of comprehensive long-term solutions to the environmental problems in the Bay/Delta system are the focus of the CALFED process and legislation.

Under "The Law of the River", California is apportioned the use of 4.4 million acre-feet per year from the Colorado River each year plus one-half of any surplus water that may be available for use in the Lower Basin. Metropolitan has a legal entitlement to Colorado River water under a permanent service contract with the Secretary of the Interior.

The Colorado River Aqueduct, which is owned and operated by Metropolitan, transports water from the Colorado River approximately 242 miles to its terminus at Lake Mathews in Riverside County. It has the capability to divert up to 1.3 million acre-feet per year. Under the priority system that governs the distribution of Colorado River water made available to California, Metropolitan holds the fourth priority right to 550,000 acre-feet per year (Figure 4). This is the last priority within California's annual basic apportionment of 4.4 million acre-feet. Metropolitan holds the fifth priority right to 662,000 acre-feet of water per year, which is in excess of California's annual basic apportionment. Historically, Metropolitan has been able to take advantage of its fifth priority right entitlement as a result of the availability of surplus Colorado River water and Colorado River water apportioned but unused by Arizona and Nevada.

Over the last ten years, California entities have diverted 4.5 to 5.2 million acre-feet annually from the Colorado River, relying on system surpluses and apportioned but unused waters of the other Lower Basin states that will not be available in the future. The Colorado River Board of California, in consultation with the California Department of Water Resources, Metropolitan, Coachella Valley Water District (CVWD), Imperial Irrigation District (IID), Palo Verde Irrigation District (PVID), San Diego County Water Authority (SDCWA), the City of Los Angeles, and others, has developed California's Colorado River Water Use Plan (California Plan).

The California Plan is the key to managing our use of Colorado River water. It provides a framework and timetable for the reduction of California's use of Colorado River water to its annual basic apportionment through reallocation of water supplies among the involved water agencies (voluntary water conservation/transfers), cooperative water storage and conjunctive use programs, and by other means. In order to meet its Colorado River water needs from within its available apportionment, California must put in place reductions in its use of Colorado River water.

If no new agreements were executed and no surplus water were available, Metropolitan's annual supply of Colorado River water would have a shortfall of about 600,000 acre-feet per year. The statewide economic and environmental consequences of this shortfall would simply not be acceptable. There is no substitute for success in implementing a plan for reducing California's Colorado River water use that is acceptable to the Secretary of the Interior and the other Basin states.

Metropolitan is actively engaged with CVWD, IID, and SDCWA (collectively, the Agencies) in the implementation of California's Colorado River Water Use Plan and the associated proposed Quantification Settlement Agreement (QSA) to reduce California's reliance on Colorado River water. The QSA, among other items, further quantifies California's Colorado River water rights and interests, establishes Colorado River water budgets for some of the major California Colorado River water user agencies, and provides for the core transfer of about 500,000 acre-feet per year of Colorado River water from agricultural to urban use. Other critical features of the QSA are the Colorado River Interim Surplus Guidelines and the Colorado River water consumptive use Inadvertent Overrun and Payback Program.

Figure 4

**CALIFORNIA'S COLORADO RIVER WATER PRIORITIES IN SEVEN- PARTY
AGREEMENT AND
WATER DELIVERY CONTRACTS**

<u>PRIORITY</u>	<u>DESCRIPTION</u>	<u>ACRE-FEET ANNUALLY</u>
1	Palo Verde Irrigation District gross area of 104,500 acres of land in the Palo Verde Valley	} 3,850,000
2	Yuma Project (Reservation Division) not exceeding a gross area of 25,000 acres in California	
3(a)	Imperial Irrigation District and land in Imperial and Coachella Valleys to be served by All American Canal	
3(b)	Palo Verde Irrigation District—16,000 acres of land on the Lower Palo Verde Mesa	
4	Metropolitan Water District of Southern California for use on coastal plain	550,000
Subtotal		<hr/> 4,400,000 <hr/>
5(a)	Metropolitan Water District of Southern California for use on coastal plain	550,000
5(b)	Metropolitan Water District of Southern California for use on coastal plain	112,000
6(a)	Imperial Irrigation District and land in Imperial and Coachella Valleys to be served by the All American Canal	} 300,000
6(b)	Palo Verde Irrigation District—16,000 acres of land on the Lower Palo Verde Mesa	
7	Agricultural Use in the Colorado River Basin in California	
Total		<hr/> 5,362,000 <hr/>

The Department of the Interior's Colorado River Interim Surplus Guidelines (Guidelines) provide a crucial transition to reliance on reduced Colorado River supplies. The Guidelines provide a 15-year period for California to transition to live within the state's basic 4.4 million acre-foot annual apportionment of Colorado River water. During the transition period, the use of surplus water would transition down as the measures to reduce California's use of Colorado River are implemented.

Continuation of the Guidelines for the full 15-year period is contingent on California making specific measurable annual progress in the reduction of Colorado River water use to meet specific benchmarks at three-year intervals during the transition period. The first critical progress deadline is the execution of the QSA by December 31, 2002. The Guidelines specifically provide that unless the QSA is executed by that date, the Guidelines will be suspended until such time as California completes all required actions and complies with reductions in water use reflected in the Guidelines. If the QSA is not executed by this deadline, the additional surplus water provided under the Guidelines could be revoked as early as calendar year 2003, resulting in the loss of up to 700,000 acre-feet per year of water to urban southern California. Loss of the surplus water at that point would likely result in serious economic disruption, renewal of controversy among the Agencies, and an unraveling of the California Plan.

The first water use reduction benchmark occurs in 2003 and requires California to reduce agricultural Colorado River water use by 110,000 acre-feet. If California fails to meet these benchmarks, the Guidelines will be suspended.

Metropolitan, in coordination with others, is undertaking the development of the QSA core voluntary, cooperative water conservation/transfers, water storage and conjunctive use programs, other cooperative water supply programs, water exchanges, dry-year supply programs, and interim surplus guidelines' agreements as part of the effort to reduce California's Colorado River water use to its basic annual apportionment of 4.4 million acre-feet. Figure 9, "Keeping the CRA Full," illustrates this strategy.

In addition to these Colorado River related efforts, Metropolitan has undertaken major investments to lessen its demand for imported water, meet future demands, and improve supply water quality. This is being done through significant investments in increased water conservation, recycling, local projects, groundwater recovery programs, in-service area storage and conjunctive use projects, watershed management, source-water quality protection, and improved desalting and other water treatment technologies. Coordination of these efforts is carried out through Metropolitan's Integrated Resources Plan and the Plan's strategies of supply reliability and affordability, and water quality enhancement and protection.

Multi-billion dollar investments and contributions that have been and are being made collectively by Metropolitan and others that are designed to provide supplies for the Colorado River Aqueduct (Figures 8 and 9) while at the same time reducing California's reliance on Colorado River water include:

Investments in Colorado River Agriculture to Urban Water Conservation/Transfers

- December 1988 IID/MWD Water Conservation and Use of Conserved Water Agreement and Associated 1989 Approval Agreement - yield of 100,000 to 110,000 acre-feet per year (QSA core transfer)
- April 1998 Water Conservation and Transfer Agreement between IID and SDCWA – yield of 130,000 to 200,000 acre-feet per year, and August 1998 Water Exchange Agreement between SDCWA and MWD (QSA core transfer)
- Coachella Canal and All-American Canal Lining Projects (Figures 5 and 6)- yield of 94,000 acre-feet per year, including 16,000 acre-feet per year to facilitate implementation of the San Luis Rey Indian Water Right settlement (QSA core transfer)
- IID/CVWD MWD Option Water Conservation and Transfer Agreement – yield of 100,000 acre-feet per year (QSA core transfer)
- May 1992 PVID/MWD Land Management, Crop Rotation, and Water Supply Test Program - yield of 186,000 acre-feet from 1992 to 1994

Investments in Colorado River Water Storage Programs

- June 1984 MWD/CVWD/Desert Water Agency Advance Delivery Agreement – multi-year yield of 600,000 acre-feet based on total storage capability
- October 1992 MWD/Central Arizona Water Conservation District Demonstration Project on Underground Storage of Colorado River Water - yield of 81,000 acre-feet

Investments in Other Proposed Colorado River Cooperative Water Supply Programs

- Proposed PVID/MWD Land Management, Crop Rotation, and Water Supply Program - yield of up to 111,000 acre-feet per year
- Acquisition of San Diego Gas and Electric Company properties in the Palo Verde Valley area for inclusion in the PVID/MWD proposed program

Investments in Proposed Colorado River Storage and Conjunctive Use Programs (Figure 7) with a goal of 3 million acre-feet of collective storage and a collective put-and-take goal of between 0.3 and 0.4 million acre-feet per year

- Hayfield Valley
- Chuckwalla Valley
- Cadiz Valley
- Lower Coachella Valley
- Arizona

Storage and conjunctive use programs in Lower Coachella Valley and Arizona would provide the capability of storing Colorado River water when the Colorado River Aqueduct is full.

Other Colorado River Measures for Improved Reservoir System Operations and Water Conservation

- Secretary of the Interior's Colorado River Interim Surplus Guidelines
- Metropolitan Interim Surplus Guidelines Agreement with Arizona
- Proposed Metropolitan Interim Surplus Guidelines Agreement with Southern Nevada Water Authority
- Secretary of the Interior's Final Rule on Offstream Storage of Colorado River Water (Interstate Banking)
- Proposed Small Offstream Water Management Reservoirs and Associated Facilities near the All-American Canal

Other aggressive actions being taken by Metropolitan to lessen the demand for imported water and increase water supply reliability include:

- Southern California investments of more than \$1.2 billion in water conservation and water recycling (includes 1.6 million ultra-low-flush toilets, 3.2 million low-flow showerheads, and 15,500 water efficient clothes washers)
- Metropolitan investments of over \$226 million to help develop more than 151,000 acre-feet per year of additional water supplies from water recycling, groundwater clean-up and water conservation programs
- Metropolitan execution of 22 agreements to provide financial assistance to projects that recover contaminated groundwater with total contract yields of about 81,500 acre-feet per year

- Metropolitan execution of 53 agreements to provide financial assistance to projects that recycle water with total contract yields of about 233,400 acre-feet per year
- Through the development of cooperative Local Groundwater Storage Programs, Metropolitan currently has 370,000 acre-feet of water in storage
- Water transfers with San Bernardino Valley Municipal Water District, Semitropic Water Storage District, and Arvin-Edison Water Storage District that can provide about 90,000 acre-feet during a dry period
- Considering additional water transfer agreements with interested parties in the Central Valley
- Construction of the \$2.1 billion, 800,000 acre-foot Diamond Valley Lake storage reservoir, doubling the amount of surface storage available in southern California
- Construction of the Inland Feeder Project at an estimated construction cost of \$1.2 billion to provide greater water supply management opportunities.

These are only the highlights of the diverse program being carried out by Metropolitan to help meet its, the Agencies, and the State's water supply needs. Metropolitan is committed to the proposed Quantification Settlement Agreement, maintaining the Colorado River Interim Surplus Guidelines for the full interim period, and implementing the California Plan to allow California to live within its basic apportionment of Colorado River water.

With respect to the current status of implementing the California Plan, the Agencies have included in the information to the Board a California Plan progress report given by Maureen Stapleton, General Manager, San Diego County Water Authority, on behalf of CVWD, IID, Metropolitan and SDCWA. Also included are letters from the six other Colorado River Basin states stating both their support and concern for the implementation of the California Plan. These letters from the other Basin states relate to a congressional bill to help facilitate the implementation of the QSA and the California Plan.

Metropolitan appreciates the opportunity to provide information to the Board on the critical matter of implementing the California Plan. We remain available to answer any questions that the Board may have on our efforts to implement the California Plan and meet southern California water needs.